

March 21, 2014



Mrs. Laura Velez, Esq.  
President  
Environmental Quality Board  
Apartado 11488  
Santurce, PR 00910

Attn: Land Pollution Control Area

Re: Financial Test

Dear Mrs. Velez:

Merck & Co., Inc., a business corporation and parent company of Merck Sharp & Dohme Corp., is submitting herewith a letter and guarantee from Peter N. Kellogg, Executive Vice President & Chief Financial Officer, demonstrating financial responsibility for sudden and non-sudden accidental liability coverage and closure and post-closure care. We have chosen the financial test to make this demonstration and believe that the enclosed documentation adequately meets the requirements for the financial test. The closure cost estimate for the Rotary Kiln Incinerator was updated in 2013 to better reflect the costs associated with the updated closure plan. The revised closure costs are estimated at \$3,166,402. The inflation factor of 1.015, for 2013 filing, will be applied. This filing will update the March 31, 2013 filing by Merck last year, to adjust for inflation where appropriate or otherwise reflect changes to closure/post-closure estimates and to utilize Merck's 2013 fiscal year figures.

Please note that the post-closure cost estimate for the Secure Landfill was adjusted by subtracting 2013 spending, then adjusting the base costs and contingency amounts, using the 2013 GDP Implicit Price Deflator.

As a company, we are required to assure \$8,000,000 in liability coverage - sudden accidental coverage of \$1 million per occurrence/\$2 million aggregate because we operate permitted facilities, and non-sudden accidental coverage of \$3 million per occurrence/\$6 million aggregate because we have a land-based (non-operational) unit in Puerto Rico.

We trust that the foregoing and enclosed documents satisfy our obligations in this regard. Should you have any questions, do not hesitate to contact me at 908-423-7968.

Very truly yours,

A handwritten signature in cursive script that reads 'Barbara G. Schulze'.

Barbara G. Schulze  
Executive Director, Global Safety and the Environment  
GSE Environmental Programs

Enclosures

227571



**Copies to:**

**Mr. Walter Mugdan, Director  
Emergency and Remedial Response Division  
U.S. EPA Region II  
290 Broadway, Floor 25  
New York, NY 10007-1866**

**Engineer Jose Font  
Director  
United States Environmental Protection Agency  
(EPA)  
Caribbean Environmental Protection Division  
City View Plaza II – Suite 7000  
#48 RD. 165 km 1.2  
Guaynabo, PR 00968-8069**

**Mr. Adolph Everett, Chief  
Hazardous Waste Program Branch  
Division of Environmental Planning and Protection  
U.S. EPA Region II  
290 Broadway, 22<sup>nd</sup> Floor  
New York, NY 10007-1866**

**Lic. Raquel Roman Hernandez  
Environmental Quality Board (EQB)  
Environmental Agency Building (Legal Office)  
Apartado 11488  
Santurce, PR 00910**

**Mr. John Pilippelli  
Division of Clean Air and Sustainability  
USEPA Region II  
290 Broadway, 25th Floor  
New York, NY 10007-1866**

**Environmental Protection Agency  
Attn: Chief RCRA Branch - Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029**

**Merck**  
One Merck Drive  
P.O. Box 100  
Whitehouse Station, NJ 08889  
merck.com

March 21, 2014



Mrs. Laura Velez Esq.  
President  
Environmental Quality Board  
Apartado 11488  
Santurce, PR 00910

Attn: Land Pollution Control Area

Dear Mrs. Velez:

I am the Executive Vice President & Chief Financial Officer of Merck & Co., Inc., a business corporation and parent company of Merck Sharp & Dohme Corp., One Merck Drive, P.O. Box 100, Whitehouse Station, New Jersey 08889-0100. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or post-closure care as specified in Rules I-806 and II-808.

The owner or operator identified above is the owner or operator of the following facilities for which liability coverage is being demonstrated through the financial test and/or corporate guarantee specified in Rules I-806 and II-808. For each facility, indicate if you are using the financial test or corporate guarantee.

<u>EPA</u> <u>Identification Number</u>	<u>Name</u>	<u>Address</u>	<u>Mechanism</u>
GAD 003324985	Albany	3517 Radium Springs Road Albany, GA 317205	Financial Test and Corporate Guarantee
NJD 001317064	Rahway	126 E. Lincoln Ave. & Rt. 1/9, Rahway, NJ 07065	Financial Test and Corporate Guarantee

NJD 001317601	Union	1011 Morris Avenue Union, NJ 07083-7143	Financial Test and Corporate Guarantee
PAD003043353	Cherokee	100 Avenue C P.O. Box 367 Riverside, PA 17868	Financial Test and Corporate Guarantee
PAD 002387926	West Point	770 Sumneytown Pike P.O. Box 4 West Point, PA 19486	Financial Test and Corporate Guarantee
PRD 0090028101	Barceloneta	P. O. Box 601 State Road #2 Barceloneta, PR 00617	Financial Test and Corporate Guarantee

1. The owner or operator identified above owns or operates the following facilities for which financial assurance for closure and/or post-closure is demonstrated through the financial test specified in Rules I-806 and II-808. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

NONE

2. The owner or operator identified above guarantees, through the corporate guarantee specified in Rules I-806 and II-808, the closure and post-closure care of the following facilities owned or operated by its subsidiaries. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

<u>EPA</u> <u>Identification</u> <u>Number</u>	<u>Name</u>	<u>Address</u>	<u>Current Cost Estimates</u>		<u>Liability</u> <u>Coverage</u> (\$ Million)
			Closure	Post Closure	
PRD 0090028101	Barceloneta	P. O. Box 601 State Road #2 Barceloneta, PR 00617	\$3,213,898	\$615,145	3,6

3. Where the Commonwealth of Puerto Rico is not administering the financial requirements of Rules I-806 and II-808, this owner or operator is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Rules I-806 and I-808. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility:

<u>EPA Identification Number</u>	<u>Name</u>	<u>Address</u>	<u>Current Cost Estimates</u> Closure	<u>Post Closure</u>	<u>Liability Coverage</u> (\$ Million)
NJD 001317064	Rahway	126 E. Lincoln Ave. & Rt. 1/9, Rahway, NJ 07065	\$2,537,500	0	1,2
NJD001317601	Union	1011 Morris Avenue Union, NJ 07083-7143	\$270,509	0	1,2
PAD 002387926	West Point	770 Sumneytown Pike P.O. Box 4 West Point, PA 19486	\$1,175,394	0	1,2
PAD003043353	Cherokee	100 Avenue C P.O. Box 367 Riverside, PA 17868	\$1,381,431	0	1, 2
GAD 003324985	Flint River	3517 Radium Springs Road Albany, GA 317205	\$2,093,270	0	1,2

4. The owner or operator identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Rule II-808 and Rule I-806 equivalent or substantially equivalent State or Federal mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

NONE

This owner or operator is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this owner or operator ends on December 31. The figures for the following items marked with asterisk are derived from this owner's or operator's independently audited year-end financial statements, for the latest completed fiscal year, ended December 31, 2013.

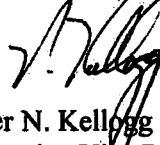
#### ALTERNATIVE I

- 1a. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above) \$11,287,147

1b.	Sum of current closure and post-closure cost estimates for all facilities located in Puerto Rico	\$3,829,043		
2.	Amount of annual aggregate liability coverage to be demonstrated	\$8,000,000		
3a.	Sum of lines 1(a) and 2	\$19,287,147		
3b.	Sum of lines 1(b) and 2	\$11,829,043		
*4.	Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you can deduct that portion from this line and add that amount to lines 5 and 6)	\$53,319,000,000		
*5.	Tangible net worth	\$16,224,000,000		
*6.	Net worth	\$52,326,000,000		
*7.	Current assets	\$35,685,000,000		
*8.	Current liabilities	\$17,868,000,000		
9.	Net working capital (line 7 minus line 8)	\$17,817,000,000		
10.	The sum of net income plus depreciation, depletion, and amortization	\$10,451,000,000		
*11.	Total assets in U.S. (required only if less than 90% of assets are located in the U.S.)	\$41,033,000,000		
*12.	Total assets in Puerto Rico	\$1,151,000,000		
			<u>Yes</u>	<u>No</u>
13.	Is line 5 at least \$10 million?		X	
14.	Is line 5 at least 6 times line 3(a)?		X	
15.	Is line 9 at least 6 times line 3(a)?		X	
16.	Are at least 90% of assets located in the U.S.? If not, complete line 17.			X
17.	Is line 11 at least 6 times line 3(a)?		X	
18.	Is line 12 at least 4 times line 3(b)?		X	
19.	Is line 4 divided by line 6 less than 2.0?		X	
20.	Is line 10 divided by line 4 greater than 0.1?		X	
21.	Is line 7 divided by line 8 greater than 1.5?		X	

I hereby certified that the wording of this letter is identical to the wording specified in Rule II-808J(7) as such regulations were constituted on the date shown immediately below.

Very truly yours,

A handwritten signature in black ink, appearing to read "P. Kellogg", written over the printed name.

Peter N. Kellogg  
Executive Vice President  
& Chief Financial Officer

Date: March 21, 2014

**Corporate Guarantee for  
Closure or Post-Closure Care or Liability Coverage**

Guarantee made this March 21, 2014 by MERCK & CO., Inc., a business corporation and parent company of Merck Sharp & Dohme Corp., organized under the laws of the State of New Jersey, herein referred to as guarantor, to the Environmental Quality Board (EQB), on behalf of our subsidiary MSD International GMBH (Puerto Rico Branch) LLC.

**Recitals**

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in Rules II-806 D(6), II-808 F(6), I-806 D(5), and I-806 F(5).
2. MSD International GMBH (Puerto Rico Branch) LLC. owns or operates the following hazardous waste management facility for which closure and post-closure care and liability coverage are covered by this guarantee:

<u>EPA Identification Number</u>	<u>Name</u>	<u>Address</u>	<u>Current Cost Estimates</u>		<u>Liability Coverage (\$ Million)</u>
			<u>Closure</u>	<u>Post Closure</u>	
PRD 0090028101	Barceloneta	P. O. Box 601 State Road #2 Barceloneta, PR 00617	\$3,213,898	\$615,145	3,6

3. "Closure plans" and "post-closure plans" as used below refer to the plans maintained as required by Rules II-807 and I-805 for the closure and post-closure care of facilities as identified above.
- 4(a). For value received from MSD International GMBH (Puerto Rico Branch) LLC., guarantor guarantees to EQB that in the event that MSD International GMBH (Puerto Rico Branch) LLC. fails to perform closure and post-closure care of the above facility in accordance with the closure or post-closure plans and other permit or interim status requirements whenever required to do so; the guarantor shall do so or establish a trust fund as specified in Rules II-808 or I-806 as applicable, in the name of MSD International GMBH (Puerto Rico Branch) LLC. in the amount of the current closure or post-closure cost estimates as specified in Rules II-808 and I-806.
- 4(b). For value received from MSD International GMBH (Puerto Rico Branch) LLC., the guarantor guarantees to EQB that in the event that MSD International GMBH (Puerto Rico Branch) LLC. fails to satisfy liability judgments arising from the operations of the above named facility, the guarantor agrees to satisfy such judgment(s), up to the limits required by these regulations for claims arising from the operations of the facilities from sudden and accidental and non-sudden and accidental occurrences that cause injuries to persons or property, or provide alternate liability coverage as specified in Rules I-806 and II-808 in the name of the owner or operator.



5. Guarantor agrees that if, at the end of any fiscal year before termination of this guarantee, the guarantor fails to meet the financial test criteria, guarantor shall send within 90 days, by certified mail, notice to the EQB for facilities located in Puerto Rico and to MSD International GMBH (Puerto Rico Branch) LLC. that he intends to provide alternate financial assurance and/or liability coverage as specified in Rules II-808 or I-806, as applicable, in the name of MSD International GMBH (Puerto Rico Branch) LLC. Within 120 days after the end of such fiscal year, the guarantor shall establish such financial assurance and/or liability coverage unless MSD International GMBH (Puerto Rico Branch) LLC. has done so.

6. The guarantor agrees to notify the EQB by certified mail, of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming guarantor as debtor, within 10 days after commencement of the proceeding.

7. Guarantor agrees that within 30 days after being notified by EQB of a determination that guarantor no longer meets the financial test criteria or that he is disallowed from continuing as a guarantor of closure or post-closure care or liability coverage, he shall establish alternate financial assurance and/or liability coverage as specified in Rules II-808 or I-806, as applicable, in the name of MSD International GMBH (Puerto Rico Branch) LLC. unless MSD International GMBH (Puerto Rico Branch) LLC. has done so.

8(a). Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendments or modification of the closure or post-closure plan, amendment or modification of the permit, the extension or reduction of the time of performance of closure or post-closure, or any other modification or alteration of an obligation of the owner or operator pursuant to Part VIII-I and II of this regulation.

8(b). Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the liability requirements set by Rules II-808 H and I-806 H; variances established according to the Rules II-808 H and I-806 H; or any other modification or alteration of an obligation of the owner or operator.

9. Guarantor agrees to remain bound under this guarantee for so long as MSD International GMBH (Puerto Rico Branch) LLC. must comply with the applicable financial assurance or liability requirements of Rules II-808 and I-806 for the above-listed facilities, except that guarantor may cancel this guarantee by sending notice by certified mail to the EQB and to MSD International GMBH (Puerto Rico Branch) LLC., such cancellation to become effective no earlier than 120 days after receipt of such notice by both EQB and MSD International GMBH (Puerto Rico Branch) LLC., as evidenced by the return receipts.

10. Guarantor agrees that if MSD International GMBH (Puerto Rico Branch) LLC. fails to provide alternate financial assurance and/or liability coverage as specified in Rules II-808 or I-806, as applicable, and obtain written approval of such assurance from the EQB Chairman within 90 days after a notice of cancellation by the guarantor is received by the EQB from guarantor, guarantor shall provide such alternate financial assurance and/or liability coverage in the name of MSD International GMBH (Puerto Rico Branch) LLC..

11. Guarantor expressly waives notice of acceptance of this guarantee by the EQB or by MSD International GMBH (Puerto Rico Branch) LLC. Guarantor also expressly waives notice of amendments or modifications of the closure and/or post-closure plan and of amendments or modifications of the facility permit(s).

I hereby certify that the wording of this guarantee is identical to the wording specified in Rule II-808 J(8) as such regulations were constituted on the date first above written.

MERCK & CO., INC.



Peter N. Kellogg  
Executive Vice President  
& Chief Financial Officer

Date: March 21, 2014

Witness: Mauna Broome



March 20, 2014

Ms. Rita Karachun  
Senior Vice President and Global Controller  
Merck & Co., Inc.  
One Merck Drive  
P.O. Box 100  
Whitehouse Station, NJ 08889

Dear Ms. Karachun:

We have been engaged by Merck & Co., Inc. (the "Company") to perform the agreed-upon procedures specified by the Company (hereinafter referred to as the "specified procedures") to assist them in complying with the Financial Assurance Documents (the "Letters") to be sent to the following Environmental Regulatory Authorities (the "Authorities"):

- Environmental Quality Board (Barceloneta, Puerto Rico)
- Caribbean Environmental Protection Division (Barceloneta, Puerto Rico)
- Environmental Protection Division, Department of Natural Resources (Flint River, GA)
- New Jersey Department of Environmental Protection Release Prevention (Rahway and Union, NJ)
- New Jersey Department of Environmental Protection Financial Management Unit (Rahway and Union, NJ)
- Department of Environmental Quality (Stonewall, VA)
- Virginia Department of Environmental Quality (Stonewall, VA)
- Virginia Department of Environmental Quality, Division of Land Protection & Revitalization (Stonewall, VA)
- Environmental Protection Agency (Union, NJ)
- Department of Environmental Protection (West Point and Cherokee, PA)

You have advised us (a) that the Company plans to provide the Authorities with a copy of our report on the results of performing the specified procedures, (b) that the Authorities has informed you that it intends to rely upon our report in connection with the financial disclosures described in the Letters, and (c) that you intend for the Authorities to so rely.

We will perform this engagement and report our findings in accordance with attestation standards established by the American Institute of Certified Public Accountants. We have not been engaged to, and will not, perform an audit or an examination, the objective of which would be the expression of an opinion on the information supplied to us or the Authorities. Accordingly, we will not express such an opinion.

The specified procedures have been agreed to by the Company (referred to as "the specified party") in connection with the Letters. The sufficiency of the procedures is solely the responsibility of the specified party. As stated in our report, our independent accountants' report is intended solely for the information and use of the specified party and is not intended to be and should not be used by anyone else.

Our engagement will be made solely for the purpose stated in the preceding paragraph, and will not be planned or conducted in contemplation of the use of our report by the Authorities. Therefore, items of possible interest to the Authorities may not be specifically addressed and matters may exist that would be assessed differently by the Authorities for their purposes in connection with the Letters. Accordingly, the specified procedures are not intended for the benefit of the Authorities. We acknowledge no responsibility to the Authorities except to the extent that such responsibility may exist under the law in the absence of a communication concerning the purported reliance by the Authorities on our report.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP

cc:

- \* Environmental Quality Board
- \* Caribbean Environmental Protection Division
- \* Environmental Protection Division, Department of Natural Resources
- \* New Jersey Department of Environmental Protection Release Prevention
- \* New Jersey Department of Environmental Protection Financial Management Unit
- \* Department of Environmental Quality
- \* Virginia Department of Environmental Quality
- \* Environmental Protection Agency
- \* Department of Environmental Protection



## **Report of Independent Accountants**

To the management of Merck & Co., Inc.,

We have performed the procedures enumerated below, which were agreed to by Merck & Co., Inc. (the "Company"), referred to as the "specified party", solely to assist you in evaluating whether the amounts of certain financial statement items (the "Financial Data") included in the letters from Peter Kellogg, Executive Vice President and Chief Financial Officer, (the "Letters") to the following Environmental Regulatory Authorities (the "Authorities") are consistent with the financial statements of the Company as of and for the year ended December 31, 2013 or from other financial records of Merck & Co., Inc.

- Environmental Quality Board (Barceloneta, Puerto Rico)
- Caribbean Environmental Protection Division (Barceloneta, Puerto Rico)
- Environmental Protection Division, Department of Natural Resources (Flint River, GA)
- New Jersey Department of Environmental Protection Release Prevention (Rahway and Union, NJ)
- New Jersey Department of Environmental Protection Financial Management Unit (Rahway and Union, NJ)
- Department of Environmental Quality (Stonewall, VA)
- Virginia Department of Environmental Quality (Stonewall, VA)
- Virginia Department of Environmental Quality, Division of Land Protection & Revitalization (Stonewall, VA)
- Environmental Protection Agency (Union, NJ)
- Department of Environmental Protection (West Point and Cherokee, PA)

The company is responsible for the Financial Data in the aforementioned Letters. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. We obtained the financial assurance documents to be sent to the Environmental Regulatory Authorities (the "Authorities").
2. We recalculated the amount of the Company's liabilities of \$53,319,000,000 at December 31, 2013, by adding current liabilities, long-term debt, deferred income taxes and other noncurrent liabilities as shown on the Company's consolidated balance sheet, and compared with the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.
3. We recalculated the amount of the Company's tangible net worth of \$16,224,000,000 at December 31, 2013, by subtracting the amount of net intangible assets of \$36,102,000,000, which is the sum of goodwill of \$12,301,000,000 and other intangibles, net of \$23,801,000,000 from the amount of total

equity of \$52,326,000,000, all as shown on the Company's consolidated balance sheet at December 31, 2013. We compared the amount of tangible net worth, as defined, recalculated above to the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

4. We compared the amount of the Company's net worth, defined as total equity, of \$52,326,000,000 at December 31, 2013, as shown on the Company's consolidated balance sheet, with the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

5. We compared the amount of the Company's total current assets of \$35,685,000,000 at December 31, 2013, as shown on the Company's consolidated balance sheet, with the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

6. We compared the amount of the Company's total current liabilities of \$17,868,000,000 at December 31, 2013, as shown on the Company's consolidated balance sheet, with the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

7. We recalculated the amount of the Company's net working capital of \$17,817,000,000 at December 31, 2013, by subtracting total current liabilities of \$17,868,000,000 from total current assets of \$35,685,000,000, both as shown on the Company's consolidated balance sheet at December 31, 2013. We compared the amount of net working capital recalculated above to the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

8. We recalculated the sum of net income attributable to Merck & Co., Inc. plus depreciation, depletion, and amortization for the fiscal year ended December 31, 2013, of \$10,451,000,000, by adding depreciation and amortization as shown on the Company's consolidated statement of cash flows for the fiscal year ended December 31, 2013 of \$6,988,000,000, and adding the change in the net deferred tax liabilities related to accelerated depreciation and intangibles as shown in footnote #15 of the Company's consolidated financial statements for the fiscal year ended December 31, 2013 (\$941,000,000), to the net income attributable to Merck & Co., Inc. of \$4,404,000,000. We compared the sum of net income attributable to Merck & Co., Inc. plus depreciation, depletion and amortization recalculated above to the corresponding amount shown in each of the respective Letters, where applicable, and found the amount to be in agreement.

9. We compared the amount of the Company's total assets of \$105,645,000,000 at December 31, 2013, as shown on the Company's consolidated balance sheet, with the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

10. We recalculated total tangible assets of \$69,543,000,000 for the fiscal year ended December 31, 2013, by subtracting the amount of net intangible assets of \$36,102,000,000, which is the sum of goodwill of \$12,301,000,000 and other intangibles, net of \$23,801,000,000 from the amount of total assets of \$105,645,000,000 all as shown on the Company's consolidated balance sheet at December 31, 2013. We compared the amount of total tangible assets, as defined, recalculated above to the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

11. We compared the amount of the total assets in the United States (including Puerto Rico) at December 31, 2013 of \$41,033,000,000, to a schedule derived from the Company's consolidated general ledger detailing domestic assets of the United States Entities. We compared the amount of total assets in the United States recalculated above to the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

12. We recalculated the percent of assets located in the United States (including Puerto Rico) of 39% at December 31, 2013, by dividing total assets in the United States of \$41,033,000,000, as recalculated in

step 11 above, by the total assets of \$105,645,000,000 at December 31, 2013, as shown on the Company's consolidated balance sheet. We compared the percent of assets located in the United States recalculated above to the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

13. We compared the amount of the total assets in Puerto Rico of \$1,151,000,000 at December 31, 2013, as shown on a schedule derived from the Company's consolidated general ledger detailing the assets of entities C1106, C1103, C1188, C1117, C1432, C3112, C3113, C3114, C3115, C3116, C3119 and C1439, rounded to the nearest million, to the corresponding amount shown in each of the respective Letters, where applicable, and found it to be in agreement.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the amounts included in the accompanying Letters. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Merck & Co., Inc., and is not intended to be and should not be used by anyone other than these specified parties.

*PricewaterhouseCoopers LLP*

March 28, 2014